

EXHIBIT B

PROCEDURES AND REQUIREMENTS

Waste Tire Amnesty Event Grant Program Fiscal Year 2008/09 (Cycle TCA4)

1. Introduction. These Procedures and Requirements for the 2008/09 Waste Tire Amnesty Event Grant Program (Grant Program) set forth the policies and procedures for administering the Grant awarded through the California Integrated Waste Management Board's (CIWMB) Tire Recycling Grant Program. This document, which is incorporated by reference into the Grant Agreement (Agreement), describes the reporting requirements, instructions for obtaining payment of the grant, and fiscal control procedures to be followed in implementing the CIWMB-funded Grant Program.
2. Public Records. All documents submitted become the property of the CIWMB and are subject to disclosure under the Public Records Act. Do not submit confidential information.
3. Prior to Commencing Work

Grant Self-Assessment Form and other Grant Forms. Prior to commencing work under this Grant, the Grantee's Grant Manager and authorized Signature Authority should review the Grant Self Assessment Checklist Form, and other Grant Forms, so as to identify key administrative requirements. Evaluation of the Grantee's compliance with these requirements is a major part of all Grant audits.

As set forth more fully in the Terms and Conditions (Exhibit A), the Grantee shall submit with its Final Report a completed and signed Self-Assessment Form. To obtain the Grant Self-Assessment Form (CIWMB 641), contact the CIWMB Grant Manager, or go to <http://www.ciwmb.ca.gov/Grants/Forms/>.

Reliable Contractor Declaration. The Grantee must provide a declaration signed under penalty of perjury by the Grantee's contractor(s), if any, stating that within the preceding three (3) years, none of the events listed in Section 17050 of Title 14, California Code of Regulations, Natural Resources, Division 7, have occurred with respect to the contractor(s). See "Contractors/Subcontractors" section in Exhibit A – Terms and Conditions for more information.

The declaration must be received and approved by the CIWMB Grant Manager (Grant Manager) prior to commencement of work. To obtain the Reliable Contractor Declaration form (CIWMB 168), see www.ciwmb.ca.gov/Grants/Forms/CIWMB168.doc or www.ciwmb.ca.gov/Grants/Forms/CIWMB168.pdf.

4. Publicity and Acknowledgement. The Grantee shall acknowledge the CIWMB's support each time projects funded, in whole or in part, by this Agreement are publicized in any medium, including, but not limited to, news media, brochures or other types of promotional material. The acknowledgement of the CIWMB's support must incorporate the CIWMB logo and state "Funded by a Grant from the California Integrated Waste Management Board." Initials or abbreviations for the CIWMB are not allowable without prior written approval from the Grant Manager. If, subsequent to this Agreement, the CIWMB adopts updated or new logos or language (language), the Grant Manager may require the Grantee to include this language in newly printed or generated materials.
5. Waste Tire Hauling Limits. The Grantee must comply with the hauling and manifest requirements set forth in Title 14, California Code of Regulations, sections 18461(b)(2) and (3). For purposes of amnesty events, these regulations provide:
 - The Grantee may accept up to 9 waste tires at amnesty events from individuals who are not registered waste tire haulers.
 - Any individual hauling 10 to 20 waste tires must obtain written authorization from the Local Enforcement Agency prior to the amnesty event date. If the individual has not received written authorization, the Grantee must report this information on the Unregistered Hauler & Comprehensive Trip Log Substitution Form (CIWMB 204) and submit the form to the CIWMB within 30 days of acceptance of the tires.

- If the Grantee accepts more than 20 waste tires from individuals who are not registered waste tire haulers, then the Grantee must report this information on the Unregistered Hauler & Comprehensive Trip Log Substitution Form (CIWMB 204) and submit the form to the CIWMB within 30 days of acceptance of the tires.
- Amnesty Day Events are intended to be date-specific events for the public and are not intended for the disposal of waste tires from waste tire generating businesses or waste tire haulers [PRC §42954(7)]. Amnesty events 1) allow individuals to bring waste tires to convenient locations for proper management up to twice per month per location or 2) can consist of a coupon program that allows individuals to bring in waste tires on specified days.

6. Grant Performance Period, Grant Term, and Report Preparation Period

The Grant Performance Period begins on the date indicated in the Notice to Proceed that the Grantee will receive from the CIWMB. Eligible Grant expenditures may start no earlier than the date indicated. In all cases, all eligible Program costs must be incurred no later than June 30, 2010.

The Grant Term starts on the same date as the Grant Performance Period and ends on September 30, 2010, the date the Final Report and Final Payment Request are due to the CIWMB. The period between July 1, 2010, and September 30, 2010, is referred to as the Report Preparation Period. ***Costs incurred to prepare the Final Report and Final Payment Request are the only costs that are eligible for reimbursement during the Report Preparation Period.***

7. Reports and Correspondence. Send Payment Requests, Final Reports, and other correspondence concerning your grant to your Grant Manager's attention at:

**California Integrated Waste Management Board
Waste Compliance and Mitigation Program
Attn: Diane Nordstrom, MS 10A-18
P.O. Box 4025
Sacramento, CA 95812-4025**

8. Grant Payments.

a. General Requirements.

- i. Eligible Costs: The CIWMB shall reimburse the Grantee for eligible costs, which include only those services specified in the approved Work Plan at only those amounts specified in the approved Budget. Any deviation from the Work Plan and/or Budget must be approved in writing by the Grant Manager before expenditure for that item is made. In addition, the expenses must be reasonable and cost-effective. Eligible project expenses may include, but are not limited to, the following:
- Costs incurred between the date indicated in the "Notice to Proceed" and June 30, 2010 (i.e., the Grant Performance Period);
 - Costs incurred between the date indicated in the Notice to Proceed and September 30, 2010, to prepare the Final Report and Final Payment Request. (Note that the costs to prepare the Final Report and Final Payment Request will be reimbursed any time during the Grant Term. However, costs to prepare the Final Payment Request and Final Report are the *only* costs that are eligible for reimbursement during the Report Preparation Period [July 1, 2010 – September 30, 2010].);
 - The cost of loading tires into transporting vehicles at the waste tire amnesty event;
 - Any salaries and benefits for personnel who are involved in the administration and oversight of amnesty events (*See Below);
 - The development and distribution of educational materials or advertising of the amnesty events (*See Below);
 - The cost of transporting waste tires by a waste tire hauler, registered or exempted by the CIWMB, to a permitted, excluded or exempted waste tire storage facility;
 - The cost of transporting waste tires for a specific end use; however waste tires must be transported to a facility that is approved by the CIWMB to accept waste tires; and

- The cost of disposing of waste tires at a permitted, excluded or exempted waste tire storage facility or disposal site.

** Project oversight and education, outreach and advertising expenses, combined, are only reimbursable up to 25% of the amnesty events grant award.*

- ii. Ineligible Costs: Ineligible project expenses include, but are not limited to, the following:
 - Costs incurred prior to the date indicated in the "Notice to Proceed" or after June 30, 2010.
 - Costs incurred during the Report Preparation Period (July 1, 2010 – September 30, 2010), except for the costs incurred to prepare the Final Payment Request and Final Report;
 - Costs not identified in the approved Work Plan (Exhibit C) or approved Budget (Exhibit D), unless approved in writing by the Grant Manager prior to the costs being incurred;
 - Costs currently covered by or incurred under another CIWMB funded loan, grant, grant cycle or contract;
 - Purchasing or leasing of land;
 - Purchasing or leasing of vehicles;
 - Overhead (costs for accounting/budget/finance staff, rental/lease of space, utilities, copying, and office supplies, etc.);
 - Overtime costs (except for local government staffing during specially scheduled evening or weekend events that are pre-approved in writing by the Grant Manager when law or labor contracts require overtime compensation);
 - Costs for obtaining necessary permits and licenses;
 - Any costs that are not consistent with local, state, and federal laws, guidelines and regulations;
 - Cell phones, pagers, personal electronic devices, cameras, and other similar electronic devices;
 - Fines or penalties due to violation of federal, state or local laws, ordinances or regulations;
 - Personnel travel or per diem costs, unless approved in writing by the Grant Manager prior to the costs being incurred;
 - Activities associated with the preparation of a waste tire cleanup and/or amnesty event grant application;
 - Costs of collecting waste tires from waste tire generating businesses and/or waste tire haulers;
 - Costs of collecting waste tires from businesses that are responsible for contracting with registered waste tire haulers for the removal of their waste tires. If it is determined that the Grantee has used grant funds for this purpose, costs incurred will be deemed ineligible and disbursed grant funds associated with these costs must be returned to the CIWMB;
 - Costs connected with contractor claims against the Grantee; and
 - Any costs that are unrelated to the grant project or unreasonable as determined by the Grant Manager.
 - iii. To receive payment, the Grantee must submit a completed Grant Payment Request Form (CIWMB 87) and supporting documentation as described below.
 - iv. Payment will be made to the Grantee only. It will be the responsibility of the Grantee to pay all contractors and subcontractors for purchased goods and services.
 - v. The CIWMB will withhold ten percent (10%) from each grant payment until all conditions stipulated in the Agreement have been satisfied.
- b. Submittal of Payment Requests.
- i. All Payment Requests must be submitted using a completed Grant Payment Request Form (CIWMB 87) signed by the signature authority as designated in the resolution submitted with the grant application. Payment Requests must be submitted with an original signature. Facsimile or E-mailed Payment Requests cannot be approved for payment.
 - ii. Payment Requests must include an itemization of all expenses by task and subtask, as described in and corresponding to the Work Statement and Budget, along with supporting documentation.
 - iii. The Grantee must submit an updated General Checklist of Business Permits, Licenses, and Filings Form (CIWMB 669) with each Grant Payment Request Form (CIWMB 87) if the previous form

requires updating. If the status has not changed, complete section 8 on the Grant Payment Request Form.

- iv. Submit a Recycled-Content Certification Form (CIWMB 74) for all purchases made with Grant funds as set forth in the Terms and Conditions (if no purchases were made, indicate "not applicable" in the product description category).

c. **Supporting Documentation.**

Supporting documentation must be included with the Payment Request (e.g., legible copies of receipts, cancelled checks, Personnel Expenditures Summaries, and all waste tire manifests). Supporting documents must contain sufficient information to verify that purchases made or costs incurred are eligible for payment. Purchase orders and invoices will not be accepted as appropriate documentation of expenses.

- i. Personnel expenditures must be computed on actual time spent on grant-related activities and must be the actual amount paid to the employee.

For calculating total personnel expense for each employee, the expenditures must be broken down by the classification(s) of the employee(s), the hourly wage, fringe benefit rate, and the number of hours worked on grant activities. This must be reflected on the attached Personnel Expenditure Summary form or a form pre-approved in writing by the Grant Manager, that:

- Records expenditures by classification(s) of the employee(s), source documents (e.g., dated timesheets), dates worked, hourly wage/rate including benefit(s), number of hours worked, and grant-related tasks performed;
- Totals (hours multiplied by rate) the personnel expenses claimed for each task. [Please complete separate forms for each employee];
- Has been signed by the appropriate supervisor. If the form is submitted for a contractor's personnel, it must be signed by both a supervisor of the contracted entity and the signature authority for the Grantee.

- ii. Waste tire manifests must document the precise location where waste tires are cleaned up and taken for disposal. Global positioning satellite (GPS) coordinates, a street address, longitude and latitude, or Tire Program Identification (TPID) number are required on every manifest.

9. **Final Report.** Approval of the Final Report by the Grant Manager is mandatory in order for the Grantee to receive final payment of the grant award, which includes release of the ten percent (10%) withhold. This report is a work product and as such is a condition of the Agreement. The Final Report must be prepared in the format specified below:

- a. Disclaimer: **"The statements and conclusions of this report are those of the Grantee and not necessarily those of the California Integrated Waste Management Board, its employees, or the State of California. The State makes no warranty, express or implied, and assumes no liability for the information contained in the succeeding text."**;
- b. Table of Contents;
- c. A summary of the entire grant project, which states the grant objectives, the number of tires that have been removed with grant money, the success of the grant program in reducing the number of illegally disposed waste tires, and how these objectives were accomplished;
- d. Any findings, conclusions, or recommendations for follow-up or on-going activities that might result from the successful completion of the program;
- e. A Payment Request requesting final payment and payment of the ten percent (10%) withhold, and the required supporting documentation (see above); and
- f. An updated General Checklist of Business Permits, Licenses, and Filings Form (CIWMB 669).

The Final Report and Final Payment Request must be received by the Grant Manager by September 30, 2010. Failure to submit the Final Payment Request and Final Report, with appropriate documentation, by September 30, 2010, may result in rejection of the Payment Request and/or forfeiture by the Grantee of claims for costs incurred that might otherwise have been eligible for grant funding.

10. **Self Assessment Checklist.** The Grantee shall submit with its Final Report a completed and signed Self Assessment Checklist Form, which is designed to aid the Grantee and the CIWMB in measuring compliance with administrative requirements.

11. **Failure to Comply.** Failure to comply with the reporting requirements specified above may result in

termination of this Agreement or nonpayment of any or all outstanding Payment Requests until the Grantee has satisfactorily completed, by September 30, 2010, the reporting provisions.

12. Release of Funds. Payment Requests will be approved for payment upon determination by the Grant Manager that the request is complete, accurate, and submitted, as required. Grantee may expect payment within approximately forty-five (45) calendar days from the date a Payment Request is approved by the Grant Manager. The Final Report must be approved before the Final Payment Request is approved for payment. The ten percent (10%) withhold will be released when all conditions stipulated in this Agreement have been satisfied.
13. Grant Closure. The Grant Manager will close out the grant when 1) the Final Report and Payment Request are submitted and she/he determines that all applicable administrative actions and all required tasks of the grant have been completed; or 2) the termination of this Agreement, whichever comes first.
14. Audit/Records Access. The Grantee agrees that the CIWMB, the Department of Finance, the Bureau of State Audits, or their designated representative(s) shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. The Grantee agrees to maintain such records for possible audit for a minimum of three (3) years after final payment or the end of the grant term, whichever is later, unless a longer period of records retention is stipulated, or until completion of any action and resolution of all issues which may arise as a result of any litigation, dispute or audit. The Grantee agrees to allow the designated representative(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Grantee agrees to include a similar right of the State to audit records and interview staff in any contract or subcontract related to performance of this Agreement.

If an audit reveals that the CIWMB funds are not being expended, or have not been expended in accordance with this Agreement, the Executive Director, at his/her sole discretion, may take appropriate action under this Agreement, at law or in equity, including, but not limited to, requiring the Grantee to forfeit the unexpended portion of the grant funds and/or to repay the CIWMB any funds improperly expended.